

ASK JIM DONELON

YOUR COMMISSIONER OF INSURANCE

About COBRA extended health care coverage

Q: If I'm laid off, can I keep my health insurance for a few months through COBRA? If not, what other health care coverage can you suggest?

A: COBRA (The Consolidated Omnibus Budget Reconciliation Act of 1986) is a federal law that allows certain former employees, retirees, spouses and dependent children to continue their health care coverage for 18 months or more if they lose health insurance through the loss of a job. People who lost their job as a result of Hurricane Katrina should check to see if they can get additional time to get their affairs in order before applying for COBRA.

COBRA applies to group health insurance plans involving at least 20 employees that are provided by employers in the private sector as well as state and local governments. It does not, however, apply to plans sponsored by the federal government and certain church-related organizations.

Ordinarily, the terminated employee or specified dependent will be required to pay the entire monthly premium under COBRA. Also, the person must apply for the coverage under COBRA within 60 days of the last day the employee health plan was in effect.

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Louisiana passed a “mini-COBRA” state law that offers some health care coverage for many people not included under the federal COBRA law. However, the state plan is not as comprehensive as the federal one, and you must apply for the state plan before your group coverage with your employer is terminated.

A third possibility for people losing health insurance is the Health Insurance Portability Availability Act Pool, which is administered by the Louisiana Health Plan. One of the options discussed here may provide you with a temporary alternative during a difficult transition period. Also, there are a number of good individual health care policies in the private sector market that may be available to you, so be sure to look at all your options.

I sincerely hope you do not receive notice that you are being laid off, but if that happens, get all the information you can about the health care options offered by your employer. With that information in hand, consider calling our toll-free number and speaking with a Health Examiner in the Office of Health. The examiner can give you information on all the options you have in your particular situation.



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